

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6574**

**BILL NUMBER:** HB 2147

**DATE PREPARED:** Feb 28, 2001

**BILL AMENDED:** Feb 26, 2001

**SUBJECT:** Administrative Rules.

**FISCAL ANALYST:** John Parkey

**PHONE NUMBER:** 232-9853

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
X FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill provides that the date for the automatic expiration of an administrative rule is extended each time that the rule is amended and that the rule, as amended, expires on January 1 of the seventh year after the year in which the amendment takes effect.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** This bill makes two changes to the sunset provisions related to administrative rules. 1) Under current law, as interpreted by the Office of the Attorney General, the majority of the administrative rules in place as of December 13, 1995 are will expire on January 1, 2002, regardless if the rule has been amended during that period. This bill extends the date an amended rule expires to January 1 of the seventh year after the year in which the amendment takes place. 2) The bill also exempts rules from automatic expiration provision if the rule is required for the state to receive or maintain delegation, primacy, or approval for state implementation of a federal program. The bill also exempts rules that are required to begin or to continue receiving federal funding for the implementation of a federal program.

To the extent that this bill could reduce the frequency in which agencies are required to develop new rules to replace those which are expired, this bill may reduce the administrative costs of agencies that have the authority to promulgate rules.

**Explanation of State Revenues:** This bill could have an impact on state revenue in so far as it exempts rules from the automatic expiration provision that are required to begin or continue federal funding

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Agencies which rule making authority.

**Local Agencies Affected:**

**Information Sources:** Nancy King, Rules Division, Indiana Department of Environmental Management, 232-7694.